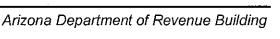
PROPERTY TAX OVERSIGHT COMMISSION



April 14, 2016

Douglas A. Ducey Governor

> David Briant Chairman

Jim Brodnax Member

Kevin McCarthy Member

Jeff Lindsey Member

Chris Kelling Member

Bill Lee, City Manager City of Somerton P.O. Box 638 Somerton, AZ 85350

RE: Truth in Taxation Hearing

Dear Mr. Lee:

Attached is the 2016 levy limit worksheet with net assessed values certified by the County Assessor. Per A.R.S. § 42-17052(A), these values cannot be changed after February 10 without the approval of the Property Tax Oversight Commission. Therefore, the total net assessed values of \$32,357,725 noted in Section C must be used when adopting a primary property tax levy and tax rate. Please note the maximum allowable tax rate and levy limit in Section D of the levy limit worksheet.

If the proposed tax levy, excluding amounts that are attributable to new construction, is greater than the amount levied in the preceding tax year, a truth in taxation hearing must be held. Therefore, if the City of Somerton intends to levy a tax rate greater than \$1.7373, a truth in taxation hearing must be held. Reference the attached levy limit worksheet for the truth in taxation rate calculation.

If a truth in taxation hearing is required, refer to § 42-17107 for the notice and hearing procedures. Within three days after the truth in taxation hearing, forward to my attention a copy of the published truth in taxation notice, the affidavit of publication, and the result of the roll call to consider a motion to levy the increased property taxes.

If you have any questions regarding the truth in taxation hearing requirements, please feel free to contact me at (602) 716-6436 or dteller@azdor.gov. Thank you for your cooperation with the Commission.

Sincerely,

Darlene Teller

Property Tax Oversight Commission Staff

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cc: Scott Holt, Financial Services Director, Yuma County Ralph Villa, Finance Director, City of Somerton

2016 LEVY LIMIT WORKSHEET

YUMA COUNTY - CITY OF SOMERTON	zaleka de pipa, da propinski produk Broka i pa produka karang kapitalika
MAXIMUM LEVY	2015
A.1. Maximum Allowable Primary Tax Levy	\$546,010
A.2. A.1 multiplied by 1.02	\$556,930
CURRENT YEAR NET ASSESSED VALUE	
SUBJECT TO TAXATION IN PRIOR YEAR	2016
B.1. Centrally Assessed	\$1,661,580
B.2. Locally Assessed Real Property	\$29,541,751
B.3. Locally Assessed Personal Property	\$225,325
B.4. Total Assessed Value (B.1 through B.3)	\$31,428,656
B.5. B.4. divided by 100	\$314,287
CURRENT YEAR NET ASSESSED VALUES	2016
C.1. Centrally Assessed	\$1,721,031
C.2. Locally Assessed Real Property	\$30,411,369
C.3. Locally Assessed Personal Property	\$225,325
C.4. Total Assessed Value (C.1 through C.3)	\$32,357,725
C.5. C.4. divided by 100	\$323,577
LEVY LIMIT CALCULATION	2016
D.1. LINE A.2	\$556,930
D.2. LINE B.5	\$314,287
D.3. D.1/D.2 (MAXIMUM ALLOWABLE TAX RATE)	1.7720
D.4. LINE C.5	\$323,577
D.5. D.3 multiplied by D.4 = MAXIMUM ALLOWABLE LEVY LIMIT	\$573,378
D.6. Excess Collections/Excess Levy	
D.7. Amount in Excess of Expenditure Limit	
D.8. ALLOWABLE LEVY LIMIT (D.5 - D.6 - D.7)	\$573,378
2016 New Construction	\$929,069
Prior year actual levy (from line F.1 of the 2015 worksheet)	\$546,010
Divided by current values excluding new construction per line B.5	\$314,287
Truth in Taxation Rate	1.7373

If the proposed tax rate is greater than the Truth in Taxation Rate noted above, a truth in taxation hearing must be held. (see A.R.S. § 42-17107)

Note: The values certified by the County Assessor cannot be changed after February 10 without the approval of the Property Tax Oversight Commission pursuant to § 42-17051.A. Therefore, the total net assessed values per line C.4 must be used when adopting a primary property tax levy and tax rate.

For questions, contact Darlene Teller at (602) 716-6436 or dteller@azdor.gov.